

House Bill 625

By: Representatives Manning of the 32<sup>nd</sup>, Gardner of the 57<sup>th</sup>, and Stephens of the 164<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 49-5-273 of the Official Code of Georgia Annotated, relating to the  
2 creation and operation of the PeachCare for Kids Program, so as to enact the "PeachCare for  
3 Kids Protection Act of 2007"; to provide legislative findings; to revise the PeachCare for  
4 Kids Program to be designated in two parts known as PeachCare A and PeachCare B; to  
5 provide that if sufficient federal funds are not available for PeachCare, the program will be  
6 administered pursuant to Title XIX of the Social Security Act; to provide that premiums to  
7 participate in the program may be imposed by the department but are not mandatory; to  
8 provide for related matters; to provide for an effective date; to repeal conflicting laws; and  
9 for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 This Act shall be known and may be cited as the "PeachCare for Kids Protection Act of  
13 2007."

14 **SECTION 2.**

15 The General Assembly finds that Georgia's PeachCare for Kids program serves a vital state  
16 interest by providing high quality, secure health care for children of Georgia's working  
17 families. PeachCare has achieved national prominence by successfully enrolling previously  
18 uninsured children consistent with the goals of the State Child Health Insurance Program  
19 (SCHIP), as administered by the federal Centers for Medicare and Medicaid Services. The  
20 General Assembly finds, however, that delay by Congress in reauthorizing SCHIP and its  
21 funding and changing the funding distribution formula has led to a shortfall in federal funds  
22 supporting PeachCare. The General Assembly finds and declares that PeachCare is essential  
23 to the health, education, and welfare of Georgia's children who would otherwise have no  
24 reliable access to health care. It is essential that PeachCare continue uninterrupted without  
25 reducing access or benefits for children. The General Assembly therefore intends to provide

for the proper use of federal Medicaid funds as a bridge until federal SCHIP funds again become available by enacting limited changes in the PeachCare program to provide for operation in the best interests of children and to prevent future funding volatility.

### SECTION 3.

Code Section 49-5-273 of the Official Code of Georgia Annotated, relating to the creation and operation of the PeachCare for Kids Program, is revised as follows:

"49-5-273.

(a) There is created the PeachCare for Kids Program to provide health care benefits for children ~~in families with income below 235 percent of the federal poverty level. Children~~ from birth through 18 years of age in families with family incomes below 235 percent of the federal poverty level ~~and who are not eligible for medical assistance under Medicaid shall be eligible for the program, to.~~ Except as otherwise provided in this Code section, the program shall be administered by the department pursuant to federal law and subject to availability of funding.

(b) Between the effective date of this Act and such time as the Governor determines by executive order that sufficient federal funds through the State Child Health Insurance Program (SCHIP) are again available, the entire PeachCare for Kids Program shall be administered pursuant to Title XIX of the federal Social Security Act.

(c) At such time as the Governor makes the determination provided for in subsection (b) of this Code section, PeachCare shall be designated in two parts, as follows:

(1) PeachCare A shall include children from birth to age one in families with incomes at or below 200 percent of the federal poverty level, children ages one through 18 with family incomes at or below 150 percent of the federal poverty level, and children eligible under Title XIX of the federal Social Security Act based on any other criteria. PeachCare A shall be administered pursuant to Title XIX of the federal Social Security Act; and

(2)(A) PeachCare B shall include children from birth through age 18 with family incomes above 150 percent of the federal poverty level but below 235 percent of the federal poverty level and who are not eligible for medical assistance under Medicaid. PeachCare B shall be administered by the department pursuant to federal law and subject to availability of funding.

~~(b)(B)~~ (B) No entitlement to benefits for the children covered under ~~the program or this article~~ PeachCare B shall be created by the program, nor shall this article or any rules or regulations adopted pursuant to this article be interpreted to entitle any person to receive any health services or insurance available under ~~this program~~ PeachCare B. ~~The program~~ PeachCare B shall be established subject to the availability of funds specifically appropriated by the General Assembly for this purpose, as may be supplemented by and

1 federal matching funds as set forth in federal law, to the extent they are available. The  
2 department shall operate ~~the program~~ PeachCare B consistent with administrative  
3 efficiency and the best interests of children.

4 ~~(c)(C)~~ The PeachCare B program shall offer substantially the same health care services  
5 available to children under PeachCare A ~~Georgia's Medicaid plan, but coverage for such~~  
6 ~~services shall not be provided by an expansion of eligibility for medical assistance under~~  
7 ~~Medicaid~~. However, ~~the program~~ PeachCare B shall exclude nonemergency transportation  
8 and targeted case management services. The department shall utilize appropriate medical  
9 management and utilization control procedures necessary to manage care effectively and  
10 shall prospectively limit enrollment in the program and modify the health care services  
11 benefits when the department has reason to believe the cost of such enrollment or services  
12 may exceed the availability of funding.

13 ~~(d)(D)~~ The department may require copayments for services consistent with federal law;  
14 provided, however, that no copayment shall be charged for preventive services and no  
15 copayments or premiums shall be charged for any child under six years of age. Preventive  
16 services include but are not limited to medically necessary maintenance medication and  
17 monitoring for chronic conditions such as asthma and diabetes.

18 ~~(e)(E)~~ The department ~~shall~~ may require payment of reasonable premiums for participation  
19 in ~~the program~~ PeachCare B. The premiums shall not exceed the amounts permitted under  
20 Section 1916(b)(1) of the federal Social Security Act or federal law.

21 ~~(f)(d)~~ The department ~~may~~ shall provide for presumptive eligibility for all applicant  
22 children as allowed by federal law and in a manner consistent with the provisions of this  
23 article.

24 ~~(g)(e)~~ The department shall provide for outreach for the purpose of enrolling children in  
25 the program. Applications shall be accepted by mail or in person. All necessary and  
26 appropriate steps shall be taken to achieve administrative cost efficiency, reduce  
27 administrative barriers to application for and receipt of services under the program, verify  
28 eligibility for the program and enforce eligibility standards, and ensure that enrollment in  
29 the program does not substitute for coverage under a group health insurance plan.

30 ~~(h)(f)~~ Any health care provider who is enrolled in ~~the Medicaid program~~ PeachCare A  
31 shall be deemed to be enrolled in ~~the program~~ PeachCare B.

32 (g) The department shall maximize use of available federal funds through the State Child  
33 Health Insurance Program (SCHIP) by charging against Georgia's allotment first for  
34 children with incomes between 150 percent and 235 percent of the federal poverty level  
35 and then for children with incomes between the Medicaid income eligibility limits that  
36 were in effect as of January 1, 2007, for children ages one through 18 and 150 percent of  
37 the federal poverty level.

~~(i)(h)~~ The department shall file ~~a~~ plans under Title XIX and Title XXI ~~plan to carry out the~~  
~~program~~ with the United States Department of Health and Human Services Centers for  
 Medicare and Medicaid Services to carry out PeachCare A and PeachCare B. The  
 department shall have the authority and flexibility to make such decisions as are necessary  
 to secure approval of ~~that plan~~ the plans consistent with this article. The department shall  
 provide a copy of the ~~plan~~ plans to the General Assembly. The department shall operate  
 this program consistent with federal law as defined in Code Section 49-5-272 or within  
Title XIX of the federal Social Security Act, as applicable.

~~(j)(i)~~ The department shall publish an annual report, a copy of which shall be provided to  
 the Governor, setting forth the number of participants in the program, the health services  
 provided, the amount of money paid to providers, and other pertinent information with  
 respect to the administration of the program. The department shall not be required to  
 distribute copies of the annual report to the members of the General Assembly but shall  
 notify the members of the availability of the report in the manner which it deems to be most  
 effective and efficient.

~~(k)(i)~~ All state agencies shall cooperate with the department and its designated agents by  
 providing requested information to assist in the administration of the program.

~~(l)(k)~~ The department, through the Department of Administrative Services or any other  
 appropriate entity, may contract for any or all of the following: the collection of premiums,  
 processing of applications, verification of eligibility, outreach, data services, and  
 evaluation, if such contracting achieves administrative or service cost efficiency. The  
 department, and other state agencies as appropriate, shall provide necessary information  
 to any entity which has contracted with the department for services related to the  
 administration of the program upon request. For purposes of compliance with Code  
 Section 34-8-125, a request by any entity which has contracted with the department for  
 services related to the administration of the program shall be deemed to be a request by a  
 responsible official of the department and considered to be a request by the department.

~~(m)(l)~~ Nothing in this article shall be interpreted in a manner so as to preclude the  
 department from contracting with licensed health maintenance organizations (HMO) or  
 provider sponsored health care corporations (PSHCC) for coverage of program services  
 and eligible children; provided, however, that such contracts shall require payment of  
 premiums and copayments in a manner consistent with this article. The department may  
 require enrollment in a health maintenance organization (HMO) or provider sponsored  
 health care corporation (PSHCC) as a condition of receiving coverage under the program.

~~(n)(m)~~ The Department of Education and local boards of education shall cooperate with  
 and provide assistance to the department and its designated agents for the purposes of  
 identifying and enrolling eligible children in the program."

**SECTION 4.**

1

2 This Act shall become effective upon its approval by the Governor or upon its becoming law  
3 without such approval.

**SECTION 5.**

4

5 All laws and parts of laws in conflict with this Act are repealed.